



Agenda
Village of Arlington Heights
Board of Trustees of the Firefighters Pension Fund
Fire Station 2, Conference Room
1150 N. Arlington Heights Road
August 6, 2018
9:00 AM

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

- A. May 7, 2018 Regular Meeting

IV. PUBLIC COMMENTS

V. CLOSED SESSION

VI. TREASURER'S REPORT

- A. Annual Actuary Report / Proposed 2018 Fire Pension Levy
- B. Annual Fire Pension Report

VII. PAYMENT OF BILLS

VIII. REPORTS

- A. Report from Fund Consultant - Marquette Associates
- B. Investment Policy Guidelines, May 2018 - Execute Document

IX. OLD BUSINESS

- A. Retiree Confirmation Form - Kristie Kawalski Marsili update

X. NEW BUSINESS

- A. Trustee Appointment by Village Board - Fire Chief Koeppen
- B. Application for Membership - FF Xavier Beltran hired May 14, 2018
- C. Cessation of Pension Benefit - Retired FF Ronold Mahon passed away 6/23/18
- D. Cessation of Survivor Benefit - Widow Phyllis Christenson passed away 5/3/18
- E. Begin Duty Disability Pension Payments - Retired FF Kevin

McDonagh

- F. Begin Duty Disability Pension Payments - Retired FF Andrew Kalinowski
- G. Investment Advisor Search 2019
- H. Closed Executive Sessions - Release of Minutes

XI. OTHER BUSINESS

XII.ADJOURNMENT

Persons with disabilities requiring auxiliary aids or services, such as an American Sign Language interpreter or written materials in accessible formats, should contact David Robb, Disability Services Coordinator, at 33 S. Arlington Heights Road, Arlington Heights, Illinois 60005, (847)368-5793 (Voice), (847)368-5980 (Fax) or drobb@vah.com.



Item: Minutes 5.7.18

Department: fire

May 7, 2018 Regular Meeting

ATTACHMENTS:

Description

May 7, 2018 Regular Meeting

Type

Minutes

**ARLINGTON HEIGHTS
FIREFIGHTERS' PENSION BOARD**

Minutes of the Regular Meeting held on May 7, 2018

Arlington Heights Fire Department Administrative Headquarters
1150 No. Arlington Heights Road – Arlington Heights IL 60004

Members in Attendance: Doug Ruhnke
 Kenneth Koeppen
 Kert Evans

Others in Attendance: Cary Collins, Pension Board Attorney
 Michael Spsychalski , Marquette Associates
 Jim Obog, Finance Department

CALL TO ORDER

Doug Ruhnke called the meeting to order at 9:05 AM. Roll was called with board members Doug Ruhnke, Ken Koeppen, and Kert Evans present. Absent were Tom Kuehne and Mark Aleckson.

Also present were Cary Collins, Pension Board Attorney; Michael Spsychalski representing Marquette Associates; and Jim Obog of the Village Finance Department.

APPROVAL OF MINUTES

The minutes from the last regular meeting held on January 22, 2018 were reviewed.

A motion was made and seconded (K. Koeppen/K. Evans) to approve the minutes from the January 22 regular meeting. All voted in favor, motion carried.

A summary of the Disability Hearing held on February 19, 2018 for Victor Tamosaitis was reviewed.

A motion was made and seconded (K. Evans/K. Koeppen) to approve the summary from the February 19 Disability Hearing. All voted in favor, motion carried.

PUBLIC COMMENTS

No comments.

TREASURER'S REPORT / DISBURSEMENTS

Jim Obog distributed the Financial Report as of March 31, 2018, indicating the total assets at \$110.7 million. Expenditures are tracking on budget.

Next Jim reviewed the check register and disbursements made. He asked for approval of check 595 (journal voucher 3) through check 607 (journal voucher 143).

A motion made and seconded (K. Evans/K. Koeppen) to approve the Treasurer's Report and Disbursements of check 595 (JV 3) through check 607 (JV 143).

Roll was called.

Ayes: D. Ruhnke, K. Koeppen, and K. Evans

Nays: None

Ayes - 3; Nays – 0.

Motion carried.

REPORTS

Marquette Associates

Michael Spychalski distributed Marquette's Executive Summary as of March 31, 2018, confirming the fund's total market value at \$109 million.

The Total Fund Composite (page 2) shows the breakdown of the asset mix as follows (in \$ millions): Fixed Income \$37.2; U.S. Equity \$33.5; International Equity Composite \$24.7; Real Estate Composite \$13.6; and Total Cash at \$20,651.

EXHIBIT II – Mike reviewed the Market Environment for 1Q 2018 in detail.

EXHIBIT I – As indicated at the last meeting, Mike presented a red line markup of the updated Investment Policy Guidelines reflecting changes made to the portfolio policy in November. The updated policy dated May 2018 replaces the previous document from August 2016.

He briefly went through pages with updates:

Page 10 – Lowering of U.S. stocks vs, International equity, a 10% move in third quarter of last year.

Page 12 – Actual targeted allocations of these changes.

Page 19 – Changes identified by investment manager and changes to the benchmark.

Page 20 – Summary of Plan Information. Year-end date now December 31 and rate of return at 6.75%

Mike recommended the Board's approval of this updated Investment Policy Guidelines.

A motion made and seconded (K. Evans/K. Koeppen) to approve the updated Investment Policy Guidelines as of May 2018.

Roll was called.

Ayes: D. Ruhnke, K. Koeppen, and K. Evans

Nays: None

Ayes - 3; Nays – 0.

Motion carried.

Mike will email a fresh copy of the document without any red line markup, to be executed at the next regular Board meeting. Attorney Collins will then forward a signed copy to the Department of Insurance.

After his presentation, Mike left the meeting.

OLD BUSINESS

- Execute Decision & Order Document – retired Division Chief, Victor Tamosaitis

At the Disability Hearing on February 19, retired Division Chief Victor Tamosaitis was granted duty disability pension. Attorney Collins presented the Decision & Order document to be executed by Board members. Once fully executed, the document is sent to Cary Collins' office.

- Annual Medical Evaluation Disabled Under Age 50 – Update on Heidi Arndorfer and Gregory O'Rourke

Disabled firefighters under the age of 50 are required to be re-examined annually. Both disabled FF Heidi Arndorfer and disabled FF Greg O'Rourke were evaluated by Dr. Stamelos. In the written summary, Dr. Stamelos indicated his opinion is that each remain permanently disabled in performing the work of a firefighter/paramedic due to the physical nature of the duties involved.

NEW BUSINESS

- Application for Membership – FF Thomas Mikulski hired February 5, 2018

Motion was made and seconded (K. Evans/K. Koeppen) to approve newly hired Thomas Mikulski membership into the Pension Fund.

Roll was called.

Ayes: D. Ruhnke, K. Koeppen, and K. Evans

Nays: None

Ayes - 3; Nays – 0.

- Retired FF Glenn Amundsen passed away on 2/23/18 – Survivor Benefits to Caroline Amundsen

Mary Ellen Juarez contacted the widow, Caroline Amundsen, and we now have her signed application for survivor benefits. The current monthly benefit of \$4,167 will continue without future increase.

Motion was made and seconded (K. Koeppen/K. Evans) to approve a survivor benefit to Caroline Amundsen in the amount of \$4,167 per month.

Roll was called.

Ayes: D. Ruhnke, K. Koeppen, and K. Evans

Nays: None

Ayes - 3; Nays – 0.

- Cessation of Survivor Benefits – Lois Dietz (widow of FF John Diet) passed away

Lois Dietz (widow of deceased FF John Dietz) passed away on 2/28/18. Mary Ellen Juarez sent a letter to the family confirming the final payment was made on 2/23/18 and benefits now cease.

Motion was made and seconded (K. Koeppen/K. Evans) to ratify the termination of future benefits to widow Lois Dietz as of 2/23/18.

Roll was called.

Ayes: D. Ruhnke, K. Koeppen, and K. Evans.

Nays: None

Ayes - 3; Nays – 0.

- Retiree Confirmation Form – No response from Kristie Kawalski-Marsili (widow of FF Rudolph Marsili)

Each year retirees are required to sign and return the Retiree Confirmation Form in order to continue receiving benefits. After several written requests and many attempts at leaving phone messages, we did not get any acknowledgement from Kristie Kawalski-Marsili who is receiving survivor benefits. An official investigation by the Police Department could not verify any record of death and was inconclusive as to her status or well-being.

Jim Obog advised that the next pension payment is scheduled for May 23. Attorney Collins recommended the Board suspend further survivor benefits until we learn more. He will send a certified letter notifying her of the Board's intent to suspend further payments until the signed and notarized Retiree Confirmation Form is returned.

Motion was made and seconded (K. Koeppen/K. Evans) to notify Kristie Marsili of the Board's intent to suspend future benefits, starting with the May payment, until receipt of the signed Retiree Confirmation form.

Roll was called.

Ayes: D. Ruhnke, K. Koeppen, and K. Evans

Nays: None

Ayes - 3; Nays – 0.

- Trustee Election – Certify Results

Due to Mark Aleckson's term as Board Trustee expiring on April 30, 2018, an election was held of active firefighters. The only name on the ballot was Mark Aleckson, as no other members requested to be placed on the ballot. After the election, Village Clerk Becky Hume canvassed the results with a total of 50 votes received as follows: 47 votes for Mark Aleckson, three write-in votes (one each for Stuart Kuhn, John Volz and Thomas House). Until certified by the Board, the unofficial results are that Mark Aleckson was re-elected as a Board Trustee to serve a three year term beginning May 1, 2018.

Motion was made and seconded (K. Evans/K. Koeppen) to certify the election results, with Mark Aleckson as Trustee for an additional three year term beginning May 1, 2018
All voted in favor, motion carried.

- Pension Board Nominations

Motion was made and seconded (K. Evans/K. Koeppen) to nominate Doug Ruhnke for Board President. No further nominations for President were made.
All voted in favor, motion carried.

Motion was made and seconded (K. Koeppen/D. Ruhnke) to nominate Kert Evans for Board Secretary. No further nominations for Secretary were made.
All voted in favor, motion carried.

OTHER BUSINESS

Doug Ruhnke recently moved further away from the office. Payments require two signatures and to avoid possible delays in processing payments, Doug recommended that Mark Aleckson is appointed as an additional check signer.

Motion was made and seconded (K. Evans/K. Koeppen) to add Mark Aleckson as an additional signer for future check payments.

Roll was called.

Ayes: D. Ruhnke, K. Koeppen, and K. Evans

Nays: None

Ayes - 3; Nays – 0.

Attorney Collins will write a resolution adding Mark Aleckson as a check signer.

ADJOURNMENT

As there was no other business to present before the Board, the motion was made and seconded (K. Koeppen/K. Evans) to close the meeting.

Meeting adjourned at 9:58 AM.

NEXT MEETING – Scheduled for Monday, August 6, 2018 at 9:00 AM

Respectfully submitted,

Laura Potts
Recording Secretary

Kert Evans
Board Secretary